

5

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

United States of America,

Plaintiff,

v.

D-1 Jeffrey Freeman,

Defendant.

Case: 5:22-cr-20346
Assigned To : Levy, Judith E.
Referral Judge: Patti, Anthony P.
Assign. Date : 7/7/2022
IND USA V FREEMAN (LH)

Violation: 26 U.S.C. § 7201

INDICTMENT

THE GRAND JURY CHARGES:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. Jeffrey Freeman was a resident of Oakland County, Michigan, and was an attorney licensed to practice in the State of Michigan. Freeman's legal specialty was civil and criminal tax matters, and he maintained an office in Birmingham, Oakland County, Michigan.
2. In 2012, Freeman was retained by client A.V. to assist her with a criminal tax probe.
3. A.V., a Canadian citizen who resided for a time in Las Vegas, Nevada, owned a business that sold cosmetic products. A.V. incurred substantial tax liabilities in tax years 2000-2002, which attracted the attention of the Internal Revenue Service (IRS) and eventually led to an investigation by the IRS. Upon

being informed of the tax probe, A.V. sought to retain counsel. A.V. eventually identified and retained Freeman to represent her interests and resolve her tax investigation with the IRS.

4. In or about November 2012, A.V. wired approximately \$15 million to an attorney trust account Freeman opened at Citizens' Bank in Bloomfield Hills, Michigan. Freeman was to use these funds to resolve A.V.'s tax liability.

5. In or about November, 2012, Freeman paid over to the IRS approximately \$8,409,301, which represented the tax due and owing for A.V. for tax years 2000-2002. This payment did not resolve penalties and interest on that amount.

6. In or about February, 2013, the IRS deemed the penalties and interest on A.V.'s tax debt (penalties and interest that totaled approximately \$3.4 million) "uncollectable." Eventually, the IRS wrote off penalties and interest altogether on A.V.'s tax debt.

7. No later than May 2013, Freeman became aware that the IRS had deemed the penalties and interest on A.V.'s tax debt uncollectable.

8. In or about May 2013, Freeman wired \$2 million of the funds A.V. had provided him from his trust account at Citizen's Bank to a bank account in the name of "Rozet Assets" at HypoSwiss Privatebank AG (CH) in Switzerland. In or about October 2013, Freeman wired an additional \$4.5 million of the funds provided by A.V. from his trust account to the same Swiss bank account.

9. In or about August 2013, Freeman advised A.V. that he had resolved the outstanding penalties and interest on A.V.'s account with the IRS for approximately \$6.5 million.

10. Freeman had not in fact resolved A.V.'s outstanding penalties and interest for approximately \$6.5 million, nor did he ever transfer those funds to the IRS.

11. After several extensions, Freeman filed a 1040 U.S. joint tax return for tax year 2013 on or about May 7, 2015. Freeman did not report any of the \$6.5 million he embezzled from A.V. on that tax return. As a result of this underreporting of taxable income, Freeman evaded paying approximately \$2,781,882 in additional tax due and owing.

COUNT ONE
26 U.S.C. § 7201 – Tax Evasion

D-1 Jeffrey Freeman.

12. The allegations in paragraphs 1 - 11 are hereby repeated, realleged, and incorporated by reference as if fully set forth herein.

13. From in or about May 2013 through in or about May 2015, in the Eastern District of Michigan and elsewhere, Jeffrey Freeman, a resident of Oakland County, Michigan, willfully attempted to evade and defeat income tax due and owing by him and his spouse to the United States of America, for the calendar year 2013, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Joint Tax Return Form 1040, which was

submitted to the Internal Revenue Service. On that tax return, Jeffrey Freeman reported and caused to be reported a figure that understated his and his spouse's joint taxable income by approximately \$6.5 million. In fact, as Jeffrey Freeman knew, he and his spouse had joint taxable income that was approximately \$6.5 million greater than the amount reported on the return, and as a result of such additional taxable income, there was additional tax due and owing to the United States of America.

All In violation of Title 26, United States Code, Section 7201.

THIS IS A TRUE BILL

s/Grand Jury Foreperson

GRAND JURY FOREPERSON

DAWN N. ISON
United States Attorney

s/John K. Neal

JOHN K. NEAL
Chief, White Collar Crime Unit
Assistant United States Attorney

Dated: July 7, 2022

ORIGINAL

(Companion Case information MUST be completed by AUSA and initialed.)

United States District Court
Eastern District of Michigan**Criminal Case Cover Sheet**

Case Number

NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete it accurately in all respects.

Companion Case Information	Companion Case Number:
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned:
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	AUSA's Initials: J.K.N

Case Title: USA v. D-1 Jeffrey FreemanCounty where offense occurred : OaklandCheck One: ☒ Felony ☐ Misdemeanor ☐ Petty

☒ Indictment/ ☐ Information --- no prior complaint.
☐ Indictment/ ☐ Information --- based upon prior complaint [Case number: _____]
☐ Indictment/ ☐ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

Superseding Case Information

Superseding to Case No: _____ Judge: _____

- ☐ Corrects errors; no additional charges or defendants.
☐ Involves, for plea purposes, different charges or adds counts.
☐ Embraces same subject matter but adds the additional defendants or charges below:

Defendant nameChargesPrior Complaint (if applicable)

Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

July 7, 2022
Date
s/John K. Neal

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Attorney Bar #:

¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, or (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.